

Item # _____

Prepared By: Mike Ritz

Commissioner _____

Approved By: _____
County Attorney

**Resolution creating a Select Committee on Shelby County's finances
to evaluate and review funding needs of Shelby County Government
and to create strategies to address these changes and needs.
Sponsored by Commissioner Deidre Malone and Commissioner Mike Ritz.**

WHEREAS, Administrative review and financial assessments have demonstrated that Shelby County Government, as presently functioning and structured with the limited governmental authority from the State of Tennessee, will have difficulty sustaining itself on the resources presently available to it; and

WHEREAS, Shelby County has serious long term financial challenges which include, but are not limited to, future years debt service requirements exceeding the current budgeted levels and available resources with seventy percent of the county's operating budget allocated to employee compensation and benefits; and

WHEREAS, The Mayor's Administration and the Shelby County Board of Commissioners are recommending that a thorough examination be conducted to determine budgeting and use of all county financial resources and the efficiency with which current services are provided, and estimates of the level of services to our citizens which can be supported in the short and long term.

WHEREAS, Shelby County property tax rate is the highest county property tax rate in the State of Tennessee; and

WHEREAS, The combined city and county property tax rates in Memphis, Bartlett, Germantown, and Collierville are among the ten highest combined rates in Tennessee; and

WHEREAS, It appears that the FY2009 countywide real estate reappraisal to be accomplished by the County Assessor may actually produce total countywide residential property valuations and total countywide non-residential property valuations equal to or less than current valuations established in FY2005; and

WHEREAS, The combination of lower property valuations, excessive property tax rates; the increasing required Debt Service for the county's debt; and many other issues challenge the county's fiscal health for the next several years; and

WHEREAS, Many citizens, taxpayers, voters, and business leaders of Shelby County do not know or believe Shelby County Government has financial challenges; and

WHEREAS, The Administration and the Commission firmly believe that in order for Shelby County Government to maintain and enhance the trust of its citizens, that the process of addressing these aforementioned challenges should be open and transparent, and should include as participants representatives of Shelby County Government, the public at large, the business community, state government and local municipal governments; and

WHEREAS, Many businesses (1) have financial officers, accountants, and auditors who have the relevant expertise and experience to review the financial reports and fiscal health of the county; (2) may be willing to allow or assign some of this expertise and experience to such a review; and (3) have never been asked by the Shelby County Mayor and the Chairman of the Shelby County Board of Commissioners to review the county's financial report and to give recommendations to the Shelby County Mayor and Shelby County Board of Commissioners; and

WHEREAS, The Administration and the Commission concur on the urgency of an expeditious process to provide the strategic solutions required in order to obtain funding to sustain the services for the current and future needs of our citizens; and

WHEREAS, It is the intent of the Administration and the Commission that the Committee not merely study current budgets and policies and available resources, but present detailed findings and firm recommendations for actions to be taken to ensure that Shelby County Government is operating with the highest level of practical efficiency and if it determines that Shelby County Government should cease providing or funding certain services to so recommend such action; and

WHEREAS, The Administration and the Commission recognize that after the above inquiries are addressed, it may be found that Shelby County Government needs new revenue and if so, the Committee shall so recommend and identify with specificity the sources of said revenue.

NOW THEREFORE BE IT RESOLVED, BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE BE IT FURTHER RESOLVED, That there is unanimous support for the creation of a Select Committee on Shelby County's finances to review and evaluate Shelby County's financial and budgetary affairs to make recommendations to the Shelby County Board of Commissioners concerning budget and policy changes and funding needs of Shelby County Government and to review strategies to address these needs, and that the Select Committee is hereby established.

BE IT FURTHER RESOLVED That the Select Committee review the financial reports, budgeting process, and fiscal health of Shelby County and make recommendation to the Shelby County Mayor and the Shelby County Board of Commissioners on a periodic basis.

BE IT FURTHER RESOLVED That said Select Committee will be charged with the evaluation and analysis of the sustainability of current revenue options, priority and efficiency with regard to government services, and will determine the needs and develop a strategic plan for implementation to address these needs and will review specific county operations areas as detailed on Exhibit A, and other areas as it sees fit.

BE IT FURTHER RESOLVED That the County Mayor and Chairman of the Shelby County Board of Commissioners will appoint the Select Committee which shall consist of not more than twenty-one (21) members, with said members being selected from the following:

- 1) Shelby County Government Administration (no more than 2)
- 2) Shelby County Commission (no more than 2)
- 3) The Local Business Community or organization speaking for or representing that community, such as Memphis Tomorrow, (at least half of the total membership)
- 4) The Shelby County Legislative Delegation (no more than 2)
- 5) Tennessee County Services Association (no more than 1)
- 6) Local Municipal Governments (no more than 2)

BE IT FURTHER RESOLVED That time is of the essence and it is the desire that this Committee undertake its work with dispatch and deliver its findings in like manner, and that the Committee shall be constituted and begin its work no later than 30 days following the signing of this Resolution and to submit its initial findings and recommendations to the Mayor and Commission not later than 120 days following its first meeting.

BE IT FURTHER RESOLVED That the Administration and the Commission staff are authorized and directed to provide the Committee the reasonable and prudent support and supplies needed to carry out its assignment in the manner set forth herein.

A C Wharton, Jr. County Mayor

Date: _____

ATTEST:

Clerk of County Commission

ADOPTED: _____